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Message Text

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67
ACTION ARA-06

INFO OCT-01 SS-14 ISO-00 NSC-05 NSCE-00 INR-05 CIAE-00

EB-03 SP-02 L-01 IO-03 RSC-01 /041 W
---------- 015042
R 232133Z JAN 75
FM AMEMBASSY MEXICO
TO SECSTATE WASHDC 5842
INFO AMCONSUL CUIDAD JUAREZ
GUADALAJARA
HERMOSILLO
MATAMOROS
MAZATLAN
MERIDA
MONTERRY
NUEVO LAREDO
TIJUANA

C O N F I D E N T I A L MEXICO 0709

LIMDIS

E.O. 11652: GDS
TAGS: ETRD, EFIN, MX, PFOR
SUBJECT: ECHEVERRIA MEETING WITH U.S. BUSINESSMEN AND
REMARKS AS TO MEXICO'S POLITICAL FUTURE

REF: MEXICO 567

1. DURING THE MEETING WHICH TOOK PLACE ON JANUARY 18, THE STRESS WAS ON WELCOMING FOREIGN, AND PARTICULARLY AMERICAN, PRIVATE INVESTMENT WITH THE PRESIDENT ALMOST EXHORTING THE BUSINESSMEN TO INVEST MORE, SUGGESTING THAT IF THEY HAD SUCH PLANS FOR INVESTMENT THEY PUT THEM INTO EFFECT PRIOR TO OCTOBER 1975, HIS RATIONALE BEING THAT BY THAT DATE THE NEW CANDIDATE FOR THE PRESIDENCY WOULD BE ANNOUNCED AND IT WOULD BE WELL TO HAVE INVESTMENT PLANS FIRMED UP BEFORE THE POLITICAL EXIGENCIES OF THE CAMPAIGN COMMENCED.

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2. I HAD THE OPPORTUNITY FOR A PRIVATE CONVERSATION WITH

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THE PRESIDENT DURING THE COURSE OF THE LUNCHEON AND OB-
SERVED THAT HIS STRESS ON THE NEED TO MAKE INVESTMENTS
PRIOR TO THE ANNOUNCEMENT OF THE NEW CANDIDATE COULD
GIVE RISE TO SOME SPECULATION AS TO THE POLITICAL
ORIENTATION OF THE LATTER. THE PRESIDENT SAID THAT HE
COULD ASSURE ME THAT THE NEW CANDIDATE WOULD BE A VERY
WELL-BALANCED PERSON, BETTER PREPARED FOR HIS TASK
THAN ECHEVERRIA HIMSELF, WOULD FOLLOW A CENTRIST POLICY
AND WOULD BASE HIS MODE OF OPERATION ON OPEN CONTACT
WITH ALL CURRENTS OF POLITICAL AND ECONOMIC LIFE THROUGH
A CONTINUATION OF THE TRIPARTITE CONSULTATION SYSTEM,
WHICH INCLUDES REPRESENTATIVES OF PRIVATE INVESTMENT,
LABOR GROUPS AS WELL AS GOVERNMENT. WITH A CERTAIN
EBULLIENCE, HE REPEATEDLY STRESSED THAT HIS SUCCESSOR
WOULD BE GIVEN BETTER THAN HE HIMSELF AND WOULD GIVE
GREAT SATISFACTION TO PUBLIC OPINION BOTH IN MEXICO
AND ABROAD WHEN HIS NAME BECAME KNOWN. HE STRESSED,
HOWEVER, THAT ONCE THE NAME WAS KNOWN THE CAPAIGN WOULD
BEGIN IN FULL FORCE, AND ITS POLITICAL EXIGENCIES WOULD
REQUIRE STATEMENTS AND ATTITUDES WHICH MIGHT MAKE IT
MORE DIFFICULT TO PROCEED WITH MAKING FOREIGN INVESTMENT
ARRANGEMENTS IN A CALM AND APOLITICAL MANNER. HE STRESSED,
HOWEVER, THAT THE MEXICAN POLITICAL SYSTEM PROVIDES
CONTINUITY AND STABILITY, AND THUS COMMITMENTS MADE
COULD BE HONORED FOR AT LEAST TEN OR FIFTEEN YEARS IN
THE FUTURE, UNLIKE THE SITUATION IN MANY COUNTRIES OF
LATIN AMERICA. I INTERPRETED THIS TO MEAN THAT ONCE
THE BOMBAST OF THE CAMPAIGN WAS OVER, THE CLIMATE
FOR FOREIGN INVESTMENT WOULD BE AT LEAST AS GOOD AS
IT IS NOW BUT THAT IT WOULD BE DIFFICULT TO MAKE PUBLIC
FOREIGN INVESTMENT COMMITMENTS DURING THE ACTUAL
CAMPAIGN PERIOD.

3. THE PRESIDENT'S COMMENTS ON HIS SUCCESSOR WERE
REASSURING, ALTHOUGH SOMEWHAT DELPHIC. (ONE INDICATION
OF HOW THE WIND MAY BE BLOWING IS THE REPORT THAT FAUSTO
ZAPATA, ONE OF THE PRESIDENT'S CLOSEST COLLABORATORS, IS
RUNNING THE PRI CAMPAIGN OF MINISTER OF THE PRESIDENCY,
HUGO CERVANTES DEL RIO, BUT THIS MAY BE NOTHING MORE
THAT THE FACT THAT BOTH OF THEM ARE ON THE SAME TEAM
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IN THE PRESIDENCIA.)

4. I HAVE JUST RETURNED FROM A VISIT TO THE CG AT
MONTERREY WHERE I HAD AN OPPORTUNITY TO MEET WITH LEADING
AMERICAN AND MEXICAN BUSINESSMEN. LATTER, WHO ARE RATHER
CONSERVATIVELY ORIENTED AND RATHER ANTI-ECHEVERRIA, FELT
THAT PRESIDENT'S OWN FINAL DECISION AS TO SUCCESSOR WOULD NOT
BE MADE UNTIL LAST MOMENT AND IT WOULD DEPEND ON POLITICAL

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PRESSURES AT THAT TIME. WHILE BUSINESS GROUP WAS ENCOURAGED BY PRESIDENT'S JANUARY 18 MEETING WITH U.S. BUSINESS LEADERS, THE MEXICANS WARNED THAT IT MIGHT BE MERELY A TACTIC TO STILL CRITICISM FROM THE PRIVATE SECTOR, THUS PERMITTING ECHEVERRIA TO MAKE OTHER MORE TANGIBLE GESTURES TOWARDS THE LEFT DURING ENSUING MONTHS. BOTH COMMUNITIES FELT, HOWEVER, THAT MEETING WAS POSITIVE IN ITS EFFECT AND THAT PRESIDENT'S REMARKS AS TO IMPORTANCE OF PRIVATE SECTOR INVESTMENTS, MADE BEFORE SUCH A LARGE AND IMPORTANT GROUP, COULD NOT BE READILY IGNORED.
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